

State of South Dakota

EIGHTY-SIXTH SESSION LEGISLATIVE ASSEMBLY, 2011

400S0654

SENATE BILL NO. 191

Introduced by: The Committee on Appropriations at the request of the Office of the Governor

1 FOR AN ACT ENTITLED, An Act to repeal certain provisions providing for the sales tax on
2 food refund program.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 28-1-70 be repealed.

5 ~~—28-1-70. There is established the sales tax on food refund program to be administered by the~~
6 ~~Department of Social Services. The purpose of the program is to provide sales tax refunds on~~
7 ~~food for purchases made in accordance with chapters 10-45 and 10-46 to South Dakota families~~
8 ~~who need it most.~~

9 Section 2. That § 28-1-71 be repealed.

10 ~~—28-1-71. To be eligible for the sales tax on food refund program, a person shall:~~

11 ~~—(1)— Be a South Dakota resident;~~

12 ~~—(2)— Be the head of the household and certify the number of persons in the household;~~

13 ~~—(3)— Have countable income above one hundred thirty percent and below one hundred~~
14 ~~fifty-one percent of the federal poverty level, as updated annually by the Department~~

15 ~~of Social Services in administrative rules promulgated pursuant to chapter 1-26;~~



1 ~~—(4)— Not be a recipient of food stamp benefits.~~

2 Section 3. That § 28-1-72 be repealed.

3 ~~—28-1-72. The Department of Social Services shall promulgate rules, pursuant to chapter 1-~~
4 ~~26, relating to:~~

5 ~~—(1)— Eligibility criteria;~~

6 ~~—(2)— Refund amounts or levels;~~

7 ~~—(3)— Payment provisions;~~

8 ~~—(4)— Household reporting requirements; and~~

9 ~~—(5)— Recoveries.~~

10 Section 4. That § 28-1-73 be repealed.

11 ~~—28-1-73. To receive sales tax on food refunds pursuant to §§ 28-1-70 to 28-1-77, inclusive,~~
12 ~~a household shall:~~

13 ~~—(1)— Apply for a quarterly refund on forms prescribed by the Department of Social~~
14 ~~Services using the prior three month periods's income;~~

15 ~~—(2)— Certify that any refund received will only be used to purchase food as defined in~~
16 ~~§§ 10-45-1 and 10-46-1; and~~

17 ~~—(3)— Report quarterly on forms prescribed by the Department of Social Services to~~
18 ~~continue eligibility for a refund.~~

19 Section 5. That § 28-1-74 be repealed.

20 ~~—28-1-74. At the time in which a household has been accepted into the sales tax on food~~
21 ~~refund program, the household is entitled to a quarterly refund of the estimated amount of sales~~
22 ~~tax on food paid as determined in § 28-1-75.~~

23 Section 6. That § 28-1-75 be repealed.

24 ~~—28-1-75. The estimate of sales tax on food paid or refund awarded under this program shall~~

1 ~~be determined based on:~~

2 ~~— (1) — The thrifty food plan as adopted and updated annually in administrative rules~~
3 ~~promulgated by the Department of Social Services pursuant to chapter 1-26; and~~

4 ~~— (2) — The number of individuals in the household.~~

5 ~~— A monthly allotment shall be determined based on the thrifty food plan's maximum~~
6 ~~allotment and the corresponding number of individuals in the household. Once the monthly~~
7 ~~allotment is determined, it shall be annualized and multiplied by the average sales tax rate in~~
8 ~~South Dakota as determined by the Department of Revenue and Regulation. This shall be the~~
9 ~~annual level of refund eligible for the household. The annual refund shall be converted to a~~
10 ~~quarterly refund. This shall be the amount of eligible refund to the household.~~

11 Section 7. That § 28-1-76 be repealed.

12 ~~— 28-1-76. If a household is a participant in the food stamp program administered by the~~
13 ~~Department of Social Services under chapter 28-12 for any of the period in which a refund is~~
14 ~~computed under § 28-1-75, those food stamp benefits shall be deducted from any refund~~
15 ~~received under the provisions of §§ 28-1-70 to 28-1-77, inclusive.~~

16 Section 8. That § 28-1-77 be repealed.

17 ~~— 28-1-77. The method of payment utilized to make payments authorized by §§ 28-1-70 to 28-~~
18 ~~1-77, inclusive, shall be made by electronic debit card or by paper warrant.~~